

State  
Columbia, SC  
Circ. 128564  
From Page:  
1  
2/21/2010  
67012



225-  
145-  
148-  
41

# HAS STIMULUS PLAN BENEFITED SOUTH CAROLINA?

Wilson says **NO**, Clyburn  
says **YES** as debate rages



Joe Wilson



Jim Clyburn

By WAYNE WASHINGTON  
[wwashington@thestate.com](mailto:wwashington@thestate.com)

The federal stimulus is bad. It's an unconscionable expansion of government, an irresponsible burden our children and grandchildren will be required to pay.

So says U.S. Rep. Joe Wilson, the Springdale Republican who called President Obama a liar while the president was speaking to a joint session of Congress.

The federal stimulus is good. It's an appropriate response to an economic conflagration stoked by former President George W. Bush while Wilson and his Republican pals rubbed their hands and watched.

So says U.S. Rep. Jim Clyburn, the Columbia Democrat whose job is to pull together votes for his party's proposals.

Two seasoned legislators from neighboring congressional districts,

each highly regarded in his own party. And, last week, a year after the \$787 billion federal stimulus was passed by Congress and signed into law by the president, both men were telling Midlands audiences what they thought of the plan.

It's bad, Wilson said

No, it's good, Clyburn countered  
Your momma wears Army boots  
— OK, neither man went there.

But constituents could be forgiven if they are confused about the evils or wisdom of the federal stimulus

Only they aren't

Most polls have shown people don't like the federal stimulus program, finding it stimulates little but public disdain for politicians, in general, and congressional politicians, in particular.

A CNN poll released last month showed that 56 percent of Americans

SEE **STIMULUS PAGE A9**

State  
Columbia, SC  
Circ. 128564  
From Page:  
9  
2/21/2010  
67012



## STIMULUS

FROM PAGE A1

disapprove of the stimulus plan. Last year, however — in March 2009, not long after the plan's passage — CNN polling found 54 percent approved of the plan.

Why the change in attitude?

Perhaps it is because — as a Winthrop University poll in November found — about 59 percent of Southerners think the stimulus has had no effect or has made the economy worse

### 'WE DIDN'T LOSE THE NATION'S ECONOMY'

Have Clyburn and the Democrats lost the public relations battle when it comes to the stimulus?

"I don't know that we did," Clyburn said last week during a meeting with reporters. "I know what we didn't do: We didn't lose the nation's economy. That would not have been a good thing."

Obama and his Democratic allies claimed the stimulus plan would save some jobs, create others and stop the nation's economic freefall.

Whether or not it can all be tied to the stimulus plan, some of that has happened

The president signed the stimulus plan into law in February 2009, at the height of what is widely regarded as the country's worst economic crisis since the Great Depression.

Big banks and investment firms were going belly up. Stocks were plummeting, taking the value of 401(k) plans and other investment portfolios with them.

The nation's unemployment rate stood at 8.2 percent. South Carolina's unemployment rate was at 10.9 percent.

From September 2008 through February 2009, the country lost an average of 653,000 jobs a month, according to figures from the U.S. Bureau of Labor Statistics

From September 2009 through January, the nation's monthly job losses had dropped to an average of 111,000.

In other words, the country's job losses were a gusher before the stimulus passed. And, in recent

months, with businesses, state and local governments using billions in stimulus money, that gusher has slowed

The stock market also has stabilized. Banks, profitable again, are back to doling out gigantic bonuses

Unemployment rates, however, have not come down.

In January, the nation's unemployment rate was 9.7 percent. South Carolina's jobless rate reached a historic high of 12.6 percent in December, the most recent month for which figures are available.

### 'FAKE JOBS' OR 'DISHONEST'?

That painfully high jobless rate has left the door open for Wilson and other Republicans to bash the stimulus plan, saying it has not worked

Running for re-election and pounding the stimulus at every chance, Wilson made several stops last week on what he calls his Joe Means Jobs Tour.

One of those stops was at Pure Power Technologies in Blythewood, a division of Navistar Inc.

Wilson told Pure Power employees, gathered in a breakroom to hear the congressman, the stimulus plan actually is "a borrowing bill. We don't have that money."

He said stimulus backers have created "fake" jobs and exploded the deficit.

Two items, however, were not among Wilson's talking points:

■ Seven months after voting against the stimulus bill, he wrote a letter to Tom Vilsack, secretary of the U.S. Department of Agriculture, pleading

for stimulus money for a foundation in his district

■ Pure Power's parent company, Navistar, is in line to get \$37 million in stimulus money

Wilson said he saw no conflict in opposing the stimulus bill and then seeking money from it. "Once it passed, I need to get what benefits I can."

That argument did not impress Clyburn.

"I don't know that there's a conflict," he said. "But it's dishonest. It's dishonest."

The Obama administration says the stimulus plan created 595,263

jobs from Oct. 1 through the end of last year. Just under 11,000 of those jobs were created in South Carolina,

the administration says.

But that is far below the goals stated when the stimulus plan was passed. Then, the White House said the plan would save or create 50,000 jobs in South Carolina.

Despite the jobs shortage, Clyburn says the stimulus is working.

The Democrat said he has heard from public officials who were glad they could use stimulus money to avoid firing staff members.

Like the president, Clyburn argues the stimulus was needed to halt the economic slide, sort of like a medical team stabilizing a patient before administering additional help.

### ANSWER DEPENDS ON 'POLITICAL BIAS'?

Frank Hefner, director of the Office of Economic Analysis at the College of Charleston, uses another medical analogy to describe the stimulus plan.

He said the stimulus' impact on the economy has been like a cardiology team using paddles to jolt a patient back to life.

The only problem, Hefner said, is this patient, the economy, remains seriously ill and will need more jolts to keep it from faltering again.

That means more and more spending, more and more federal debt, and more and more reliance on foreign investors like the Chi-

nese, who are needed to buy U.S. bonds.

"We just can't spend our way out of this," Hefner said. "There are no freebies. The stimulus package is going to have costs."

But don't think Hefner's expert opinion is the only one or even the prevailing one.

Who's right?

Wilson or Clyburn?

Stimulus bad, very bad?

Or stimulus good, very good?

Hefner chuckled at the thought economists could settle that question.

"The answer to that question is going to depend on the political bias of the economists," he said.



State  
Columbia, SC  
Circ. 128564  
From Page:  
9  
2/21/2010  
67012



## STIMULUS IN S.C.

How the \$787 billion program has benefited South Carolina: The state will eventually receive more than \$8 billion in stimulus benefits through tax cuts, immediate aid to jobless workers and budget aid to state and local government. So far, the state has gotten more than \$5 billion. A look at how the money is being spent and the impact:

### Jobs

The White House estimated the federal stimulus package would save or create 50,000 S.C. jobs. So far, federal figures show 11,000 jobs saved or created at a time the state's unemployment rate is more than 12 percent.

### Budget relief

Gov. Mark Sanford lost a fight blocking more than \$700 million in stimulus money directed at helping state and local governments balance their budgets. Schools and local

government say the stimulus aid saved hundreds of jobs. School districts say the stimulus helped reduce the number of teachers laid off. But the stimulus runs out after the upcoming budget year, perhaps putting state and local governments back in the position of reducing staff and services.

### Grants

The stimulus package has funneled \$2.3 billion in grants that have created more than 9,000 jobs, according to federal data. The grants range from \$13 million awarded in Richland County to local governments and nonprofits to help the homeless to \$35,000 to Southern Wesleyan University to fund its work-study program to \$42 million to Clemson University to build a wind turbine drivetrain testing facility at the former Charleston naval base. The state has received 1,700 grants so far, worth \$2.3 billion.

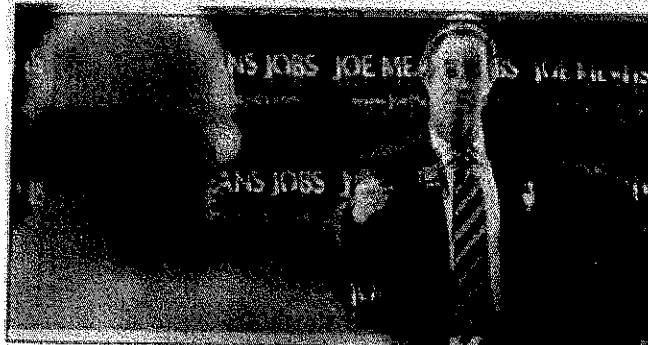
### Loans

South Carolina has gotten \$63 million in loans from the stimulus package, which is aiding construction projects for public entities having trouble with finances. The most high-profile is a \$23.5 million loan going to Dillon County to rebuild aging J.V. Martin Junior High School. The school, parts of which are more than 100 years old, had become a national symbol of educational facilities decay.

### Contracts

South Carolina is getting more than \$3 billion in contracts for construction and services. Many of those contracts are going to military installations in the state and to public infrastructure. For example, \$1.2 million is earmarked to fix a power plant station at the Marine Corps Recruit Depot at Parris Island and \$975,000 is going to build wheelchair ramps at the Veterans Administration hospital in Columbia. So far the state has been awarded 1,900 stimulus grants.

SOURCE: recovery.gov



C. ALUKA BERRY/CABERRY@THESTATE.COM

U.S. Rep. Joe Wilson speaks to employees at Pure Power Technologies in Blythewood on Wednesday.



FILE PHOTOGRAPH/THE ASSOCIATED PRESS

U.S. Rep. Jim Clyburn greets President Barack Obama after the president addressed a joint session of Congress in 2009.